

Washington, D.C. 20505

26 October 1982

The Honorable William P. Clark
Assistant to the President for
National Security Affairs
The White House
Washington, D.C. 20500

Dear Bill,

Pursuant to our telephone conversation yesterday I send you herewith the following:

1. Our view of where Mitterrand is in tune with us, where he may be open to persuasion, where we have clearly diverging views, and where he is suspicious of us, together with the kind of specific US proposals to which Mitterrand may be responsive. This has been put in the form of possible talking points. (Tab A)

2. Our evaluation of the military advantages which the Soviets have derived from their success in obtaining Western technology. [redacted]

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3. French attitudes towards Cocom and technology transfer. (Tab C)

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5. On Namibia, which may be a subject that he brings up, I would think it would be useful to have him understand that South Africa remains adamantly unwilling to withdraw without prior withdrawal of the Cubans from Angola. Linkage of Namibia with Cuban withdrawal comes not from any US requirement but from the South African Government's perception of their internal politics and of their external security needing a buffer as long as the Cubans remain in Angola. [redacted]

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6. A map, [redacted] and talking points on the relationship between the Siberian pipeline and Soviet forced labor were sent to you yesterday.

Yours,

/s/ Bill

William J. Casey

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Possible Talking Points for Meeting with Mitterrand

Mitterrand shares our suspicions of Soviet intentions. He is concerned about the Soviet military buildup and fears that increasing military influence in the Soviet Government may lead to a more aggressive foreign policy. The level of contact he has maintained with Moscow has been lower and the tone of the dialogue harsher than under Giscard, Pompidou, or De Gaulle. He can be expected to be broadly sympathetic to our views on:

- o The need to cooperate in the interests of promoting stability and limiting Soviet influence in Africa in particular and the Third World in general.
- o The need for the West to maintain defense expenditures and improve its nuclear deterrent forces.
- o The need to implement plans to base Pershing II and cruise missiles in Western Europe.
- o The need to combat pacifist and neutralist trends in Western Europe. [REDACTED]

He may be open to persuasion on some other points. For example:

- o There is evidence that the French are now questioning their earlier belief that leftist movements in Central America could be won over with aid programs. [REDACTED]

On other questions, however, Mitterrand's views differ significantly from ours.

- o Paris opposes economic sanctions on the ground that they do not work, and Mitterrand personally accepts this view.
- o The French, along with other West Europeans, have not entirely written off detente and retain some hope that trade may have a long-run moderating effect on Moscow.
- o Mitterrand thus opposes strategies intended to weaken the Soviet economy structurally. [REDACTED]

In addition to these general considerations, Mitterrand is suspicious of US motives in several areas.

- o He does not accept our rationale for not embargoing US sales of grain to the USSR.

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- o He views aspects of the sanctions as unacceptable because they infringe on national sovereignty and because they cause severe damage to French economic interests.
- o He believes US behavior has been unilateral and symptomatic of a deterioration in US-European relations. [REDACTED]

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We believe that Mitterrand may be responsive to specific US proposals that address the following questions:

- o Including agricultural exports in any consideration of limitations on trade with the USSR.
- o Expediting the COCOM review process of technology of military significance.
- o Expanding the list to include specific items, possibly including oil and gas technology.
- o Going forward with measures agreed at the Versailles Summit.
- o Considering ways to "differentiate" the treatment accorded the USSR and countries of Eastern Europe (Hungary, for example).
- o Exploring ways in which Alliance consultative procedures may be improved. [REDACTED]

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France, COCOM, and Technology Transfer

France generally has been supportive of Western efforts to control the flow of high technology goods to the Soviet Bloc despite occasional differences with the United States over specific control measures.

- o The French view the technology transfer problem primarily as a counter-intelligence issue. They are more concerned about the illegal acquisition of technology than the transfer of technology through normal trade.
- o French cooperation with the United States on these issues, therefore, has concentrated on information exchanges aimed at reducing illegal transfers rather than the broader questions of how legal trade has contributed to the military build-up in the Soviet Union. [REDACTED]
[REDACTED]
- o France believes that the COCOM lists need to be pruned so that controls on the most highly sensitive technologies can be strengthened. They oppose introducing any new institutional procedures into COCOM at this time. Nevertheless, they have been fairly constructive at the current COCOM list review -- by agreeing to extend controls to new areas, such as space vehicles and microcircuit technologies.
- o France believes that COCOM is primarily a technical forum and is concerned that the effectiveness of the organization will suffer if political discussions are pursued there. They view the current US "no exceptions" policy as a unilateral and politically motivated revision of COCOM procedures.
- o They used this argument to justify their refusal to submit the MT-20 telecommunications equipment contract for COCOM review. [REDACTED]

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In general, the COCOM mechanism has been effective in limiting the sale of controlled goods to the Soviet Bloc. Certain weaknesses, however, have permitted the Soviet Union to acquire sophisticated technology which have directly and indirectly contributed to Soviet military power.

- o There has been a lack of harmonization of various COCOM members' export control procedures, which has resulted in the inadvertent sale of COCOM-controlled goods to the Soviet Union.

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- o COCOM cannot control clandestine acquisitions, nor can it control illegal transfers through third parties or within the Soviet Union.
- o COCOM-controlled goods often can be obtained legally through non-COCOM states such as Sweden, Switzerland, or Austria.
- o COCOM lists, in the past, have been allowed to become outdated. Products just coming on line have been left off the lists for periods of time.
- o The Allies have insisted that only goods that have a proven direct military application be controlled and have left the burden on the United States to demonstrate why certain goods need to be controlled.

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